

**MEMORANDUM OF AGREEMENT
BY AND BETWEEN
KING COUNTY AND THE
INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL
ENGINEERS, (IFPTE), LOCAL 17 – INFORMATION TECHNOLOGY**

King County and the Union (the parties) agree to implementation of Professional and Technical Classification/Compensation Project for the International Federation of Professional & Technical Engineers, Local 17 Information Technology Bargaining Unit (employees) in the following manner:

1. Effective Date of Pay Adjustments

The parties agree that the pay adjustments associated with implementing the new job classes and pay ranges set forth in attached Appendix A shall be effective as follows:

A. The parties agree to prospective pay range step placement on to the new pay ranges and job classes for all current¹ regular full-time and regular part-time employees, including probationary employees and employees in grant-funded positions, and term limited temporary employees, doing the work of the job classifications listed in attached Appendix A, excluding temporary employees, contract workers, supervisors, managers and confidential employees, within the following departments and divisions of King County employees.

1. Department of Executive Services – Information and Telecommunication Services Division
2. Department of Executive Services – Records, Elections and Licensing Services Division
3. Department of Executive Services – Risk Management

¹ The term Current or Current Employee refers to any employee active on either the MSA or Peoplesoft payroll systems as of July 30, 2004 through date of enactment of this Memorandum of Agreement.

4. Department of Community and Human Services
5. Department of Adult and Juvenile Detention
6. Department of Development and Environmental Services
7. Department of Executive Services – Finance and Business Operations
8. Department of Executive Services – Construction and Facilities Management
9. Department of Executive Services – Office of Emergency Management
10. Department of Judicial Administration
11. Department of Natural Resources and Parks

2. New King County Pay Range

The parties agree that the newly adopted job classifications shall be compensated at the established pay ranges negotiated by and between the parties as listed in Appendix A to this Memorandum of Agreement. These pay ranges are associated with a squared, 10-step wage pay plan. The ranges provide compensation for all duties identified by the classification specification for the position. To the extent an individual previously received premium pay or special duty pay for the performance of duties which are included in the new classification, such duties are fully compensated by the ranges identified in Appendix A and no additional premium or special duty pay will be provided for the performance of such duties. Each classification's FLSA designation is listed in Appendix B.

- A. Employees allocated to positions that are exempt from the overtime provisions of the Fair Labor Standards Act ("FLSA") shall be paid rates on the "10 Step FLSA-Exempt Squared Salary Schedule."

B. Employees allocated to positions that are FLSA non-exempt² shall be paid rates on the “10 Step Hourly Squared Wage Schedule.”

3. Initial Step Placement

Except for those employees Y-rated per Section 6, upon implementation of the Memorandum of Agreement, current employees shall be placed on the new salary ranges as follows:

A. Current employees moving to hourly job classifications. Current employees shall be placed on the first step on the applicable squared wage schedule for hourly employees providing a minimum of a ten cent (10¢) increase over their former actual base rate of pay.³

B. Current employees moving to FLSA-exempt job classifications.

(i). Current employees currently assigned a core 35 hour schedule.

Current employees shall be placed on the first step on the applicable squared salary schedule for FLSA-exempt employees providing a minimum of \$182.00 more (annualized ten cent increase) than their current annualized base salary at the 40 hour rate of pay.

(ii). Current employees currently assigned a core 40 hour schedule.

Employees shall be placed on the first step on the applicable squared salary schedule for FLSA-exempt employees providing a minimum of \$208.00 (annualized ten cent increase) more than their former actual base rate of pay (current annualized base salary).⁴

² Positions that are FLSA non-exempt are also referred to as “hourly” positions in this Memorandum of Agreement.

³ This methodology also applies to FLSA-exempt employees. The derived hourly rate is based on the employee’s annual salary and generated for the purpose of calculating step placement. It is understood that changes to rates of pay do not constitute job changes. Furthermore, the step placement methodology will be consistent with Section 3 and promotional guidelines do not apply. Former actual base rate of pay includes COLA for that year regardless of when COLA was applied during that year and implemented retroactively; but excludes merit, special duty, acting, out-of-class, lead, and other types of premium pay.

⁴ As for hourly employees, former actual base rate of pay (current annualized base salary) includes COLA for that year regardless of when COLA was applied during that year and implemented retroactively; but excludes merit, special duty, acting, out-of-class, lead, and other types of premium pay.

4. Additional Step Placement

Following initial step placement on the new pay ranges, current employees of the IT Core employees not Y-rated as described in Section 6 below will each receive additional step movement of up to two steps (not to exceed top step of the range) and all other current IT Mirror employees covered by this Memorandum of Agreement not Y-rated will each receive additional step movement of up to one step (not to exceed top step of the range). Eligible employees shall progress (on the County Ten Step Squared Salary Table) through the salary range assigned to their job classification until they reach the top step of their salary range pursuant to the Collective Bargaining Agreement.

5. Merit Pay Plan Eligibility and Merit Freezing

Current employees who were eligible for merit pay step increases pursuant to the King County Merit Pay Plan or through some other merit pay plan prior to their placement on a new pay range shall retain their eligibility for merit pay step increases pursuant to the applicable plan if the employee is step placed or step progresses to Step 10 of the new pay range on or before January 1, 2005. Current employees whose new base rate is less than the total of their old base rate and merit pay will be frozen at their old base rate plus merit pay until such time as the pay rates associated with their placement on the new pay range meet or exceed their frozen rate of pay. During this period of freezing, employees shall not be eligible for merit increases, cost of living increases, and/or any other wage adjustments.

6. Salary Y-rating

Current employees whose former actual base rate of pay (see footnotes 2 and 3) exceeds the top step of the new range bargained for their job classification shall be Y-rated at their former actual base rate of pay until such time as the pay rates associated with their job classification exceed their former actual base rate of pay.⁵ During this period of Y-rating, employees shall not

⁵ Note: The Y-rating provisions under this Section does not apply until after employees exercise their Section 10 option to convert to hourly for those employees choosing to take the option. Examples of Y-rating include, but are not limited to: (1.) Employees whose new classification pay range is less than that of their current pay range; and (2.) An employee who is currently paid at the upper end of their current pay range at a 35 hour hourly rate and will be allocated to a classification with a pay range based on a forty hour hourly rate.

be eligible for merit increases, cost of living increases, and/or any other wage adjustments except as provided in Section 7 below.

7. Mitigation for Current Employees

Eligible current employees that are Y-rated under Section 6 above will receive in November 2004 a one time only lump-sum payment of five thousand six hundred and twenty five dollars (\$5,625) or eleven thousand two hundred and fifty dollars (\$11,250) depending on the circumstances of their Y-rating.

Eligible current employees will receive a one time payment of one thousand eight hundred and seventy five dollars (\$1,875)⁶ whom either:

- a. were at top of their former range as of their “Christie” date and will see an overall increase in the range bargained for their new job classification; or
- b. will have a range bargained for their new job classification that is equal to or greater than their former range by nine ranges.⁷

8. Pro-rated Lump-Sum Retroactive Pay Adjustment

Upon implementation of this Memorandum of Agreement, a lump sum retroactive payment shall be provided to those current and former⁸ employees allocated to newly adopted job classifications on or after May 13, 2003 whose pay ranges are increased and who have not been Y-rated.⁹ This sum represents the full and final settlement of all retroactive claims related to classification and/or compensation issues, including but not limited to working-out-of-class, special duty, acting pay, FLSA designation, overtime compensation, and any other pay related to

⁶ Total final payout for employees covered by Section 7a. and 7b. shall not exceed one hundred and eighty seven thousand five hundred dollars (\$187,500).

⁷ Employees are eligible under this Sub-Section if their new pay range is equal to or greater than twenty three and seventy-nine hundredths percent (23.79%) of their former range pursuant to the 2004 Metro Non-rep Pay Plan or KC Standardized Schedule.

⁸ For purposes of this Section, the term “former employees” means Bargaining Unit members who were notified of their allocation to a job classification pursuant to the implementation of the Classification/Compensation project for Information Technology Bargaining Unit employees and who have since left their Bargaining Unit position.

⁹ This Section does not apply to employees whose ranges decrease but are not Y-rated because the old base rate falls within the new pay range nor does it apply to employees Y-rated under Section 6.

classification or any claims for classification adjustment from the parties' Christie agreement or subsequent date of hire into a bargaining unit position (the effective date of adjustments) forward.

The following general formula was applied in generating the lump sum retroactive payment due each eligible employee: Seventy eight dollars (\$78) or seventy two dollars (\$72) (MSA and Peoplesoft employees respectively) for each pay period worked since Christie date or subsequent date of hire into the bargaining unit.¹⁰

9. Bargaining Unit Dividend

A one time only lump sum payment of five hundred dollars (\$500) shall be provided to those employees employed by the County in a bargaining unit position at time of Union ratification of the Memorandum of Agreement.

10. Reconciliation of Work Schedules and Pay Involving FLSA-Exempt Employees

A. Core Work Schedule. All current full-time regular employees allocated into an FLSA-exempt position shall have a core work schedule of forty (40) hours per week effective upon implementation of this Memorandum of Agreement, except as provided herein. Each current regular FLSA-exempt employee with a core work schedule of thirty-five (35) hours per week who is now allocated into an FLSA-exempt position as a result of the Classification/Compensation Project shall be given a one-time only option to be paid as an hourly employee and maintain their thirty-five (35) hour core work schedule. An employee must exercise this option in writing no later than September 3, 2004 and will be based on the first step on the applicable squared wage schedule for hourly current employees that provides them a minimum of a ten (10¢) increase over their former actual derived base hourly rate (salary divided by 1820 hours).

¹⁰ This amount is derived by taking 2.5% of the weighted annual salary of IT employees (\$75,000) and dividing by the appropriate number of pay periods.

Current full-time regular employees who utilize this one-time option shall be overtime eligible after forty (40) hours in a workweek and ineligible for executive leave. Current full-time regular employees making this election shall retain the ability to convert to FLSA-exempt status through their length of employment within their current position. Current full-time regular employees who convert to FLSA-exempt status shall be placed on the step they would have been at had they been implemented at the time of enactment of this Memorandum of Agreement as FLSA-exempt and accounting for any potential annual progression. Once converted to FLSA-exempt, employees may not choose to be compensated on an hourly basis. Further, regular employees electing to be paid as hourly who subsequently transfer, demote or promote into FLSA-exempt positions shall be paid on a salaried basis. All other employees who are allocated into an FLSA-exempt position shall be paid on a salaried basis.

B. Vacation and Sick Leave Accrual Adjustments. Pursuant to KCC 3.12.125, regular and term-limited temporary employees whose core hours are increasing from thirty-five (35) hours to forty (40) hours as a result of their allocation to an FLSA-exempt classification shall have their vacation and sick leave balances adjusted upward so as to insure that the equivalent number of sick leave and vacation leave days accrued does not change. This provision is effective prospectively upon implementation of the Memorandum of Agreement and does not apply to employees whose employment has terminated prior to that time.

C. Part-Time FLSA-Exempt Employees. FLSA-exempt regular employees working less than full-time shall be paid on a salaried basis based on their regular core work schedule, as a percentage of full-time. Leave benefits shall accrue and be used on that percentage basis.

D. Pre-Implementation Conversion for Hourly Employees. Each current full-time regular hourly employee who is now allocated into an FLSA-exempt position as a result of the Classification/Compensation Project shall be given a one (1) -time only option to be paid as an hourly employee, provided that the employee occupied hourly paid position(s). Such option must have been made in writing no later than September 3, 2004 and will be based on the first

step on the applicable squared wage schedule for hourly employees that provides a minimum of a ten (10¢) cent increase over their former actual base rate.

Current full-time regular employees who utilize this one (1) -time option shall be overtime eligible after forty (40) hours in a workweek and ineligible for executive leave. Employees making this election shall retain the ability to convert to FLSA-exempt status through their length of employment within their current position. Employees who convert to FLSA-exempt status shall be placed on the step they would have been at had they been implemented at the time of enactment of this Memorandum of Agreement as FLSA-exempt and accounting for any potential annual progression. Once converted to FLSA-exempt, employees may not choose to be compensated on an hourly basis. Further, regular employees electing to be paid as hourly who subsequently transfer, demote or promote into FLSA-exempt positions shall be paid on a salaried basis. Employees hired subsequent to the date the ordinance approving this Memorandum of Agreement is enacted, now allocated into an FLSA-exempt position, shall be paid on a salaried basis. This Memorandum of Agreement's provisions shall supersede and take precedence over any contrary applicable Collective Bargaining Agreement provisions providing overtime compensation to employees in otherwise exempt job classifications covered under these negotiations.

11. Post Implementation Review

Current regular employees shall be eligible to submit a request for reclassification twelve (12) months from the date of their implementation arising from enactment of the ordinance approving this Memorandum of Agreement.

12. Waiver and Complete Agreement

The parties agree and acknowledge that each has had the opportunity to fully exercise its rights under the law and to make demands and proposals with respect to any matter deemed a proper subject for collective bargaining regarding the implementation of the Classification and/or Compensation Project allocations and pay ranges. The results of the exercise of those rights and opportunity are set forth in this Memorandum of Agreement. Further, both parties agree that this

Memorandum of Agreement represents a complete settlement which fully and finally resolves all of their differences related to Classification/Compensation issues, including but not limited to working out-of-class, special duty, acting pay, FLSA designation, overtime compensation, and any other pay related to classification or any claims for classification adjustment from the effective date of adjustment forward, except as additional Human Resources Division review is provided for or made pursuant to any pending classification appeal timely filed. Therefore, the County and the Union, for the duration of this Memorandum of Agreement, each agree to waive the right to oblige the other party to bargain with respect to any subject or matter not specifically referred to or covered in this Memorandum of Agreement and the Union agrees that this Memorandum of Agreement represents the full and entire agreement between the parties on classification and compensation matters.

13. Normal Withholding

All payments made pursuant to this Memorandum of Agreement shall be subject to regular and legally required withholding.

The lump sum and mitigation payments made pursuant to this Memorandum of Agreement are subject to deductions for purposes of the Public Employment Retirement System (PERS). King County shall be responsible to the Department of Retirement Systems (DRS) for payment of PERS contributions. Each individual shall be responsible to King County for repayment of the employee's share of their PERS contribution. Each individual shall have the PERS employee obligation deducted from the lump sum and mitigation payments.

14. Implementation Schedule

The parties agree to devise a realistic timetable for implementing the Classification/Compensation Project allocations, pay ranges, monetary and mitigation payments set forth in this Memorandum of Agreement. It is understood by the Parties that employees filing appeals will not have their retroactive pay adjustment and mitigation benefits implemented until after their final allocation determination.

15. Duration of this Agreement

The parties agree that this Memorandum of Agreement shall become effective with the King County Council's approval by ordinance, and shall remain in effect through December 31, 2006.

APPROVED this _____ day of _____, 2004

By _____
King County

INTERNATIONAL FEDERATION OF PROFESSIONAL
AND TECHNICAL ENGINEERS, LOCAL 17

Union Representative

Date